



2013  
WASHINGTON  
ROUNDTABLE

# chair's report

The 2013 legislative session proved to be challenging for state lawmakers, who struggled to address a major budget shortfall and increase investment in K-12 and higher education without harming the still fragile – though recovering – economy. Our state leaders met this challenge.

Lawmakers delivered a balanced budget that focuses new investment on education with accompanying accountability for student achievement. They increased higher education funding, allowing universities to hold tuition flat in 2013-14. They also invested in computer science and engineering degrees, so more students will be prepared for the great jobs that exist in our state. These are all important steps toward rebuilding Washington post-recession.

This year's legislative session also brought disappointment. Despite a concerted effort, lawmakers were unable to pass a new statewide transportation investment package. This must be a top priority moving forward. The Roundtable will continue to work with a broad coalition of business, labor and environmental interests to pursue a package that preserves the system we have and finishes projects in important economic corridors.

We also remain concerned about long-term budget sustainability. If the economy continues to perform as it has, the recently-enacted state budget should be sustainable through the current biennium. However, long-term sustainability is less certain, particularly given the additional funding needed in 2015-17 to meet requirements of the Supreme Court's McCleary decision. Sustainability must continue to be a priority in the years ahead.

State lawmakers made progress this year toward rebuilding Washington. With perseverance and continued bipartisan leadership, we can continue to make Washington a better place to live, work and do business.

Sincerely,

Daniel S. Fulton  
*2013 Washington Roundtable Chair*

**2013 POLICY PRIORITY:**  
PURSUE A SUSTAINABLE  
STATE BUDGET THAT ENABLES  
WASHINGTON TO INVEST  
IN SERVICES THAT FOSTER  
COMPETITIVENESS AND DRIVE  
ECONOMIC GROWTH.

**OUTCOMES:** The Roundtable applauds state lawmakers for delivering a balanced 2013-15 biennial budget that takes important steps toward rebuilding Washington following the recession. Lawmakers provided \$1 billion in new funding for basic education, enacted sustainability reforms, significantly increased higher education funding, and balanced a considerable budget shortfall without pushing significant costs into the future.

If the economy continues to grow as expected, the budget should be sustainable through the current biennium. However, long-term sustainability is less certain. The budget balances through 2015-17, but the long-term outlook does not account for additional education investment as required by the Supreme Court's McCleary decision. Lawmakers must be both prudent and thoughtful in how they address that challenge to ensure continued economic recovery and growth.

**2013 POLICY PRIORITY:**  
PURSUE AN EDUCATION  
SYSTEM THAT PREPARES  
EVERY STUDENT FOR  
COLLEGE AND CAREER.

**OUTCOMES:** The Washington State Legislature made significant gains in education policy in 2013. Lawmakers called for creation of an education dashboard to track school and district progress against statewide indicators. They also authorized the State Superintendent to intervene in our lowest performing schools. These reforms will ensure better access to higher quality schools for all students.

Lawmakers also passed a set of reforms that will increase student support and encourage achievement. Elementary students struggling with literacy prior to fourth grade will now have access to targeted assistance. High school students who meet the standard on state assessments will automatically be enrolled in more rigorous coursework. Also, students can now receive math or science credit for AP Computer Science courses (as opposed to elective credit). These reforms will push more students to reach for higher levels of learning.

**2013 POLICY PRIORITY:**  
ENSURE OUR POSTSECONDARY  
EDUCATION INSTITUTIONS ARE  
PREPARED TO DEVELOP TALENT  
AND FOSTER INNOVATION.

**OUTCOMES:** The legislature increased investment in computer science and engineering degrees, a critical step toward filling the "skills gap" identified in the Boston Consulting Group study, "Great Jobs Within Our Reach." That study, done in conjunction with the Roundtable, concluded that 25,000 jobs had gone unfilled in Washington because employers couldn't find qualified candidates here.

The legislature also provided enough state funding so that the higher education institutions could hold tuition flat in 2013-14. In addition, they ensured the universities will have authority to adjust tuition in future years. These steps protect access for students and provide the universities with the flexibility needed to be competitive.

**2013 POLICY PRIORITY:**  
MAINTAIN AND OPERATE AN  
EFFICIENT TRANSPORTATION  
SYSTEM, FOCUSED ON MOBILITY  
AND RELIABILITY.

**OUTCOMES:** The Roundtable is disappointed lawmakers were unable to pass a transportation investment package over the course of three legislative sessions. With rankings among the bottom 10 states for bridge conditions and bottom half for road conditions, Washington's transportation system is clearly fragile. Without new investment, half of state highway pavement will be in poor or very poor condition in just 10 years. The Roundtable will continue to work with a broad coalition of business, labor and environmental interests over the interim to pursue a package that protects the system we have and finishes projects in important economic corridors.

**2013 POLICY PRIORITY:**  
ENSURE BUSINESS COSTS AND  
REGULATORY POLICIES ARE  
COMPETITIVE.

**OUTCOMES:** Lawmakers were able to balance the budget without broad increases in business taxes, which was important for economic recovery. However, they were unable to agree upon important changes to the state's workers' compensation system. Extending the option of voluntary settlement agreements to more workers will result in significant system-wide savings and reduce the potential need for employer rate increases. Lawmakers should pursue such a reform next year.

The Washington Roundtable is a nonprofit public policy organization comprised of senior executives of major private sector employers across Washington state.

Since 1983, the Roundtable has worked to create positive change on critical policy issues that foster economic growth, generate jobs and improve quality of life for Washingtonians.

Areas of focus include: economic climate, state fiscal policy and education.



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